

COMMITTEE ON FINANCE

October 7, 2003

Mayor Baines called the meeting to order.

The Clerk called the roll.

Present: Aldermen Gatsas, Guinta, Sysyn, Osborne, Pinard, O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Thibault and Forest

Absent: Alderman Wihby

Bond Resolutions:

“Amending a Resolution of the Board of Mayor and Aldermen Passed to be Enrolled on June 1, 1999, Which Resolution Authorized the Issuance of Bonds in the Amount of Twenty Million Dollars (\$20,000,000) for Refunding Certain Outstanding Bonds of the City.”

“Amending a Resolution of the Board of Mayor and Aldermen Passed to be Enrolled on September 24, 2001, Which Resolution Authorized the Issuance of Bonds in the Amount of Thirty-Five Million Dollars (\$35,000,00) for Refunding Certain Outstanding Bonds of the City.”

On motion of Alderman O'Neil, duly seconded by Alderman Thibault it was voted to dispense with the reading by titles only.

Alderman Gatsas asked can somebody from Finance tell us what we save in that refinancing please.

Mr. Sherman answered the last set of numbers that we ran at the tail end of last week we were looking at saving roughly \$500,000 out of the FY04 budget and diminished amounts in the following years - \$10,000 to \$20,000 a year thereafter.

Alderman Gatsas asked so the budget year we are currently in there is a reduction of \$500,000.

Mr. Sherman answered with the last numbers we ran that is correct. As we know, interest rates come and go. We don't know if that will still be there two weeks from now but that is where we were last week.

Alderman Gatsas asked what is the date of the actual filing to know what that number would be.

Mr. Sherman answered it would be the day that we sell and right now we are looking at October 21.

Alderman Gatsas asked so what does every point mean to us.

Mr. Sherman answered I would have to go back. It actually goes by issue. They compare it with the actual maturities that are outstanding so to be honest with you if we lose 10 basis points we may lose half of the maturities. I don't have that with me.

Alderman Gatsas asked if it stayed at \$500,000 what would that be on the tax rate.

Mr. Sherman answered that is roughly 9 cents.

On motion of Alderman Thibault, duly seconded by Alderman DeVries, it was voted that the Bond Resolutions ought to pass and layover.

Resolution:

“Amending the FY2000, 2003, and 2004 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Twelve Thousand Nine Hundred Forty Two Dollars (\$12,942) for certain CIP Projects.”

On motion of Alderman Sysyn, duly seconded by Alderman Pinard, it was voted to read the Resolution by title only and it was so done.

On motion of Alderman Garrity, duly seconded by Alderman Sysyn, it was voted that the Resolution ought to pass and be enrolled.

Communication from Thomas Bowen, Manchester Water Works, requesting approval of a Resolution to withdraw Manchester Water Works funds currently under the Trustee of Trust Fund and place such funds toward the establishment of a \$500,000 Revenue Stabilization Fund.

Deputy Clerk Johnson stated this item is withdrawn.

CIP Budget Authorizations:

- 830800 Roof Replacement
- 212703 Employment/Training Program
- 410603 Sobriety Checkpoints
- 713703 City Motorized Equipment Replacement
- 210904 Refugee Health
- 214804 New Horizons Code Compliance Project
- 410304 Local Law Enforcement Block Grant
- 411004 Youth Attendant Program

Alderman Lopez moved to approve the CIP budget authorizations. Alderman Pinard duly seconded the motion.

Alderman Gatsas asked can somebody give me an explanation of the New Horizons Code Compliance Project please.

Mr. MacKenzie answered there were a number of items identified that were “compliance” or primarily fire safety issues at New Horizons. They had limited options to fund those and were being faced with an issue of perhaps closing down. The Committee did recommend that we utilize funds from the Affordable Housing Trust Fund to meet those immediate life safety code issues.

Alderman Gatsas asked are there any other code violations or does that \$9,000 take care of all of the code violations that are there.

Mr. MacKenzie answered I believe that addresses all of the code violations that were identified by the City.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

There being no further business, on motion of Alderman Thibault, duly seconded by Alderman Sysyn, it was voted to adjourn.

A True Record. Attest.

City Clerk